

volume 6, issue 2

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# North Dakota

division of economic development & finance

## commerce matters

### APUC funds seven requests totaling \$314,751

The Agricultural Products Utilization Commission (APUC) approved \$314,751 for seven agricultural projects at its meeting Feb. 24, in Bismarck. The projects include:

**Gold Energy, LLC**, Wahpeton, was awarded \$151,000 contingent on the planned ethanol plant being located in North Dakota.

**Dakota Skies Biodiesel, LLC**, Minot, was awarded \$52,500 to complete organizational structuring, construction and supply contracting, and the cost-tracking system for the pre-construction and construction phase.

**Paulson Premium Seed**, Bowman, was awarded \$17,146 to promote selling peas to Mexico's livestock feed buyers for use as a protein source in feed for beef, dairy, swine and chickens.

The North Dakota Department of Agriculture and the North Dakota Trade Office were awarded \$22,500 for the **Market Assistance Program (MAP)**. Two Trade Missions are planned to Southeast Asia and Taiwan for North Dakota food companies.

**Earth Harvest Mills, Inc.**, Harvey, was awarded \$21,550 for domestic advertising of their organic flours and organic livestock feed and to attend animal feed trade shows and regular food trade shows.

**NDSU Department of Cereal & Food Science**, Fargo, was awarded \$30,000 to research the relationship between flaxseed components and food quality enhancement through prevention of bacterial and fungal spoilage.

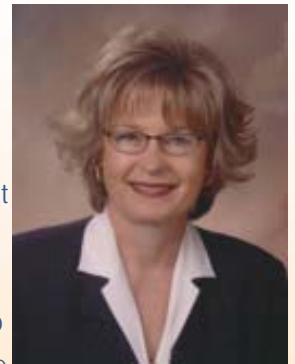
**Identity Ag Processing, LLC**, Casselton, was awarded a technical assistance grant of \$20,055 to reduce costs, improve customer satisfaction, increase employee productivity, improve cash flow and increase safety and quality control.

### Commerce refines direction

We have begun strategic planning at many levels in the Department of Commerce. Much of our activity is focused on the "big goals" for the next three years. Commissioner Goettle is spending significant time meeting with our partners and stakeholders to get a solid understanding of where we are and we need to be. As a department, we are in the midst of several legislative initiatives including an image information campaign, launching a business hotline (see more on these in this newsletter), economic developer training, and studies on intellectual property, target industries, business climate and incentives.

As we strategically position North Dakota for business opportunities, we continually look for ways to gain our greatest return on invest-

ment. One of the new ways we are including in our "toolbox" is public-speaking venues at targeted industry events. For example, I recently participated in a panel discussion with four international business executives at the 2006 Outsourcing World Summit in Orlando, FL. Our topic was, "On Shore, Near Shore, Off Shore?...The Debate Continues."



Linda Butts, Director  
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Our over-arching theme for this audience of high-level executives was simple: every process has its place; is yours in North Dakota? Businesses base their decisions on the bottom line – where is it easiest and most profitable to expand their company. In our efforts to grow North Dakota, we recognize that we can not be all things to all people. We must be very focused on leveraging North Dakota's existing advantages and developing new growth opportunities from within our state. I welcome your suggestions in this area as we continue to improve the quality of life for the people of North Dakota. ●

## Trade mission produces results

Lt. Gov. Jack Dalrymple said members of a trade mission he led on a five-city tour of Australia and New Zealand made sales and established profitable connections. The 19-member delegation sought to expand sales in medical, airparts maintenance and agricultural equipment, as well as wastewater treatment and food processing technology and products.

On the first day of the mission, a Jamestown company landed a \$250,000 manufacturing contract. Duratech Industries International will build a large wood chipper for Reharvest Corp., a New Zealand-based company that recycles wood pallets. The delegation, representing 10 North Dakota compa-



Duratech Industries, a Jamestown-based company, participated in the recent Australian/New Zealand trade mission and sold a grinder similar to this one on the first day of the mission.

nies, left for Australia March 2 and returned March 12. Australia is North Dakota's third-largest trading partner. The state exported over \$76 million in manufactured goods and processed foods to Australia last year – more than three times (\$24.26) the value of exports to Australia in 2000. ●

## ND Development Fund releases 04-05 report

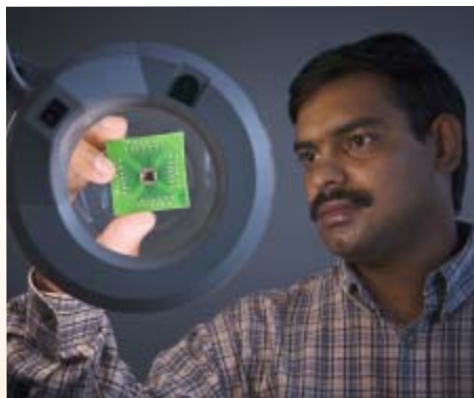


The North Dakota Development Fund recently released its 2004-05 annual report. From July 1, 2004, to June 30, 2005, the Fund invested \$5.1 million in 50 primary sector projects involving 42 different primary sector businesses. Since its inception in 1991, the Development Fund has invested nearly \$55 million in 356 compa-

nies with \$20.5 million invested in rural communities. These investments have contributed to the projected creation of 8,708 primary sector jobs. Cash flow in 2005 hit an all-time high of \$5.9 million for the Development Fund. The Fund as truly become a revolving loan fund as those funds collected can be used for future loan and equity investments. For more information about the North Dakota Development Fund or to receive a copy of the annual report, contact Dean Reese at 701-328-5334 or [dreese@state.nd.us](mailto:dreese@state.nd.us) ●

## Centers of Excellence funding announced

The Centers of Excellence Commission has funded 10 new economic development projects in the first two rounds of awards. Of the 12 applications submitted, four were approved totaling about \$9 million in the first round of funding last fall, and they will be met with up to \$31.5 million in matching funds. Six more applications totaling about \$9 million were approved in the second round of funding this winter from a pool of 14 applicants. These projects will be met with up to \$37 million in matching funds. Approved projects include the following:



This Graduate Research Assistant examines a Tenali chip designed and manufactured at NDSU.

- Bismarck State College – Energy Technology Center of Excellence
- NDSU – Advanced Electronics Design and Manufacturing
- UND Energy and Environmental Research Center –

#### Hydrogen Technology

- Lake Region State College – Center for Technology-Optimized Agriculture
- North Dakota State University - Agbiotechnology: Oilseed Development
- North Dakota State University - Surface Protection
- University of North Dakota Research Foundation - Life Sciences and Advanced Technologies
- University of North Dakota - UAV and Simulation Applications
- Valley City State University - Institute for Customized Business Solutions
- Williston State College - Petroleum Safety and Technology Center ●

## DOC launches two legislative initiatives

During the 2005 Legislative Session, the Department of Commerce was chosen to lead several initiatives, including a Business Hotline and an Image Information Campaign for state employees. The Business Hotline went live Feb. 1, and provides a toll-free phone number for callers with questions about doing business in North Dakota. The hotline serves as a clearing-house for business information, and Commerce staff are working with 22 other state agencies and related partners to efficiently deliver information and follow up on business leads.

The Image Information Campaign is designed for use by state employees to provide them with information on the many positive aspects associated with living and working in North Dakota, and to inspire them to portray a positive image about the state when interacting with the general public.

The committee has completed a survey of more than 350 state employees to determine current attitudes about living and working in North Dakota. The survey responses were used to develop a 90-minute presentation that will be provided to six “pilot” agencies this spring. Ultimately, the program is being crafted for possible rollout to all state employees and the private sector. The campaign committee is working closely with the North Dakota Ambassadors Program to provide an ongoing source of positive information about the state. ●

## Redesign of [www.growingnd.com](http://www.growingnd.com) now live

There is a new face for the North Dakota Department of Commerce when it comes to business development. [www.growingnd.com](http://www.growingnd.com) is now redesigned and open for increased traffic. The goal for the redesign was to build a site that placed as much critical information as possible within three clicks of the home page. The menu has been simplified, and the Research Team continues to update and add data to deliver comprehensive information about doing business in North Dakota. Site consultants, business leaders and economic developers were interviewed during the redesign process to ensure the site meets the needs of its targeted audience. If you have comments about [www.growingnd.com](http://www.growingnd.com), contact Leigh Ann Huether at 701-328-5336 or [luether@state.nd.us](mailto:luether@state.nd.us) ●







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## SBDC releases 2005 annual report

On average, 10 entrepreneurs a day come to the 13 Small Business Development Centers across North Dakota for business advice and training. This is an increase of 125 percent from three years ago. About 25 percent of the SBDC clients attain a measurable outcome such as starting, expanding or retaining their business – 223 in 2005.



Start ups can open their doors on average of 94 days after their first meeting with an SBDC advisor. Expansion projects in 2005 achieved average new sales of \$922,000 and obtained an average loan of \$275,000. Expansion clients also create the greatest average number of jobs at 3.6 full-time jobs and 2.2 part-time jobs. Turnaround plans implemented by retention projects were accepted by lenders with less equity than startups or expansions; this demonstrates the efforts undertaken locally to work with existing small businesses through difficult periods. For more information about SBDC or to receive a copy of the 2005 annual report, contact Christine Martin at 701-328-5375 or Christine.martin@und.nodak.edu ●

## Department of Commerce hosts Developer Days

February 23 marked the first of quarterly introductory sessions designed for North Dakota professionals who have a vested interest in growing North Dakota communities. Five participants were introduced to services, programs and projects within Community Services, Workforce Development, Economic Development and Finance and Tourism. Representatives from the Bank of North Dakota and USDA Rural Development were also on hand to answer questions. "This is a wonderful opportunity to get first-hand knowledge about resources available in the state for North Dakota communities," says Maria Effertz-

Hanson, community development specialist for the Souris Basin Planning Council. "It is also good to meet other professionals who have common interests and new ideas."

The remaining three sessions will be held May 11, August 10 and November 2 at the Commerce offices in Bismarck. For more information or to register, contact Pamela Trhlik at 701-328-5371 or e-mail ptrhlik@state.nd.us. ●

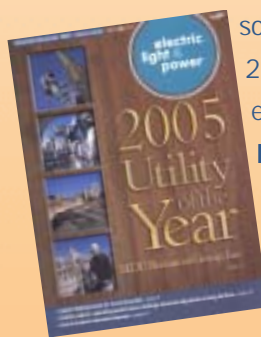
## Trade office will host seminar

The North Dakota Trade Office will host a seminar titled, "Immigration Strategies for Worker Shortages" on April 6 in Dickinson and on April 11 in Fargo. As North Dakota businesses continue to grow and prosper, their needs for a diverse, highly educated workforce grow. Public and private sector partners are pursuing proactive ways to meet this need, and the trade office engaged the law firm Fredrikson & Byron to deliver strategies to hire immigrants and foreign nationals. For more information, contact Cherie Harms at 701-471-2704. ●

## North Dakota in the News

**Fox & Friends**, interview with Rick Kasper of Global Electric Motorcars, Nov. 15, 2005 (ad equivalency: \$44,400; tone: excellent)

**Power Engineering Magazine**, cover story on MDU Resources Group, Inc., November/December 2005 (ad equivalency: \$38,500; tone: excellent)



**Electronic Business**, mention of state's highly educate workforce and competitive business costs, December 2005 (ad equivalency: \$5,105; tone: excellent)

**Silicon Valley/San Jose Business Journal**, mention of North Dakota's E85 usage, Jan. 13, 2006 (ad equivalency: \$381, tone: excellent) ●